

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

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Date Received:

06/19/2013

PluggingBond SuretyID

20040060

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☒ GAS ☐ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: BARRETT CORPORATION* BILL

4. COGCC Operator Number: 10071

5. Address: 1099 18TH ST STE 2300

City: DENVER State: CO Zip: 80202

6. Contact Name: Venessa Langmacher Phone: (303)312-8172 Fax: (303)291-0420

Email: vlangmacher@billbarrettcorp.com

7. Well Name: Merritt Well Number: 6-66-9-0659CDH

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 11843

WELL LOCATION INFORMATION

10. QtrQtr: NWNE Sec: 9 Twp: 6N Rng: 66W Meridian: 6

Latitude: 40.509320 Longitude: -104.781090

Footage at Surface: 260 feet FNL 2125 feet FEL

11. Field Name: Eaton Field Number: 19350

12. Ground Elevation: 4822 13. County: WELD

14. GPS Data:

Date of Measurement: 05/15/2013 PDOP Reading: 2.1 Instrument Operator's Name: Wyatt Hall

15. If well is ☐ Directional ☒ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL
550 FNL 1890 FEL 500 FSL 1890 FEL
Sec: 9 Twp: 6N Rng: 66W Sec: 9 Twp: 6N Rng: 66W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 249 ft

18. Distance to nearest property line: 260 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 0 ft

20. LEASE, SPACING AND POOLING INFORMATION

| Objective Formation(s) | Formation Code | Spacing Order Number(s) | Unit Acreage Assigned to Well | Unit Configuration (N/2, SE/4, etc.) |
|------------------------|----------------|-------------------------|-------------------------------|--------------------------------------|
| CODLL | CODL | 407-812 | 640 | All |

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

See lease map attached.

25. Distance to Nearest Mineral Lease Line: 500 ft

26. Total Acres in Lease: 480

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

| Casing Type | Size of Hole | Size of Casing | Wt/Ft | Csg/Liner Top | Setting Depth | Sacks Cmt | Cmt Btm | Cmt Top |
|-------------|--------------|----------------|-------|---------------|---------------|-----------|---------|---------|
| CONDUCTOR | 20 | 16 | 65 | 0 | 60 | 50 | 60 | 0 |
| SURF | 13+1/2 | 9+5/8 | 36 | 0 | 800 | 430 | 800 | 0 |
| 1ST | 8+3/4 | 7 | 26 | 0 | 7,630 | 640 | 7,630 | 600 |
| 1ST LINER | 6+1/8 | 4+1/2 | 11.6 | 6800 | 11,843 | | | |

32. BOP Equipment Type: ☒ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments This well is an exception location to Rules 318Aa, 318Ac and 318Am. Spacing was approved 6/17/2013 - Docket 1306-SP-87.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Venessa Langmacher

Title: Sr Permit Analyst Date: 6/19/2013 Email: vlangmacher@billbarrettcorp.co

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: Matthew Lee Director of COGCC Date: 7/21/2013

API NUMBER

05 123 37711 00

Permit Number: _____ Expiration Date: 7/20/2015

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1)Provide notice of MIRU via an electronic Form 42.
2)Comply with Rule 317.i and provide cement coverage to a minimum of 200' above the Niobrara. Verify cement coverage with a cement bond log per 317.o.

Operator acknowledges the proximity of the Indian Tree #31-9 API# 123-14020, Lucas School #33-9 API# 123-19315, and Lucas School #34-9 API# 123-14000. Operator agrees to: provide mitigation option 1, 2 or 3 (per the DJ Basin Horizontal Offset Policy) to mitigate the situation, ensure all applicable documentation is submitted based on the selected mitigation option chosen, and submit a Form 42 ("OTHER – AS SPECIFIED BY PERMIT CONDITION") stating what appropriate mitigation occurred and that it has been completed, prior to the hydraulic stimulation of this well.

Operator must meet water well testing requirements per Rule 318A.

Applicable Policies and Notices to Operators

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2167029 | SURFACE AGRMT/SURETY |
| 2482449 | SURFACE CASING CHECK |
| 400436448 | FORM 2 SUBMITTED |
| 400436452 | DIRECTIONAL DATA |
| 400436454 | EXCEPTION LOC WAIVERS |
| 400436455 | OFFSET WELL EVALUATION |
| 400436456 | EXCEPTION LOC REQUEST |
| 400436457 | LEASE MAP |
| 400436459 | EXCEPTION LOC REQUEST |
| 400436461 | DEVIATED DRILLING PLAN |
| 400436462 | PLAT |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Spacing order was approved 5/6/13, docket number1302-SP-52 allowing 20 HZ wells in the unit. Final review complete. | 7/16/2013 3:09:41 PM |
| Permit | Attached SUA with drawing. Ready to pass pending public comment 7/11/13. | 7/3/2013 1:37:28 PM |
| Engineer | Evaluated offset wells for adequate isolation. | 6/27/2013 9:55:53 AM |
| Permit | Permit passed completeness. | 6/20/2013 1:37:09 PM |
| Permit | Returned to draft: SUA does not have the operators signature on it. | 6/20/2013 10:00:12 AM |

Total: 5 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |